

# HOUSTON CHRONICLE

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## Massive flood control package heads to Gov. Abbott's desk

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The Texas Legislature has approved a bill that marks its largest response yet to Hurricane Harvey, potentially directing billions of dollars from the state's savings account to repairs and flood-mitigation projects — steps that lawmakers say will speed up recovery and help prepare for the next major storm.

[Senate Bill 7](#), an omnibus flood-control package authored by state Sen. Brandon Creighton, R-Conroe, is headed to Gov. Greg Abbott's desk after the upper chamber agreed to a series of [House tweaks](#) this week.

Local leaders say the legislation includes crucial provisions that will allow them to move forward on Harvey repairs and projects that receive federal funding. Such projects require a local match of 10 percent to 25 percent, which the state may now agree to help cover. Without state support, Houston alone would be out [more than \\$220 million](#).

Though a prior version of the bill would have appropriated more than \$3 billion from the state's "rainy day fund," the version that advanced did not include that phrasing. Lawmakers were still negotiating budget proposals Thursday evening that would determine how much money to draw from the state savings account, though [a Senate proposal](#) would provide \$1.65 billion.

Passage of the measure comes 21 months after Harvey soaked the Houston area with up to 51 inches of rain in some parts, flooding more than 200,000 homes. A year later, Harris County voters [approved a \\$2.5 billion flood infrastructure bond](#) aimed at protecting the area from future storms.

“It is uncharacteristic for the legislature to take such bold, proactive actions, and I am honored by the faith our colleagues put in me and Rep. (Dade) Phelan to get this done,” Creighton said in a written statement. “...Every stakeholder, local leader and Texas family who was impacted by the storm and provided input shares in this success.”

The legislation would establish funds of varying sizes, among them a pot of money to provide local agencies with low- or no-interest loans — or, in some areas, grants — to design and build flood mitigation projects, and another to cover [the local match](#) on federally funded flood-control projects.

The bill also creates a fund for Harvey recovery that would provide local governments with most of the local money required to access recovery aid from the Federal Emergency Management Agency.

Houston Mayor Sylvester Turner and other Gulf Coast officials have [pressed lawmakers for months](#) to tap the rainy day fund, which is formally known as the Economic Stabilization Fund. They’ve argued that providing state support for the local match ensures Texas gets a huge return on its investment.

For some [FEMA-funded aspects](#) of the recovery, such as repairing buildings and parks and replacing equipment, Texas local governments will get \$9 for every \$1 spent. The state would pay 75 cents of that dollar, with local governments making up the rest.

And, in [FEMA’s program that funds mitigation projects](#) — such as digging a large detention basin at the defunct Inwood Forest Golf Course or buying out dozens of homes that have flooded recently — Texas will get \$7.50 in federal aid for every \$2.50 spent. The bill awaiting Abbott’s signature would have the state contribute about \$1.88, or three-quarters of that amount, with local governments coming up with the balance.

Houston’s recovery czar, Steve Costello, said no act of the Legislature could make the FEMA recovery process less cumbersome; he produced a flow chart showing 42 steps that are required to secure funding on each repair. Still, he said, the financial support that the bill provides is critical.

The infusion of state dollars means there will be “less of a burden on our general fund,” he said, referring to the pot of city money that covers police,

fire, trash pickup and most other core services. “That’s the bottom line. That’s what’s really important about it. None of us has the recovery money.”

The bill also folds in language from Phelan’s [House Bill 13](#) that would create a separate fund to provide incentives for local governments to cooperate on flood control efforts.

Creighton said in a statement Wednesday the bill would “set the state on a path to be more resilient and better prepared for future storms.”

The bill’s passage comes amid efforts by federal lawmakers to [speed up the flow of aid](#) from the U.S. Department of Housing and Urban Development, which has yet to release nearly \$4.4 billion in disaster mitigation funds allocated to Texas more than a year ago.

The U.S. Senate [passed a disaster relief package](#) Thursday that would give the federal budget office 90 days to release the funds, which have been stalled as HUD sets rules dictating how the money can be spent.

### **Bill would take effect when Abbott signs it**

Funding for SB 7 would come out of a [spending bill](#) that covers leftover expenses from the prior legislative session, which lawmakers from both chambers had yet to approve Thursday.

Versions of the bill passed by the House and Senate each set aside about \$275 million from the rainy day fund for flood mitigation, and \$200 million for studies and projects conducted by the Army Corps of Engineers. The [lower chamber’s spending bill](#) would allot \$400 million for recovery projects, \$65 million more than the [Senate’s proposal](#). All of these allocations would go toward matching funds.

SB 7 would take effect as soon as Abbott signs it, because it received more than two-thirds approval in both chambers. The bill’s flood infrastructure fund, which will appear on the November ballot as a constitutional amendment, would go into effect Jan. 1 if passed.

That fund would later provide funds for projects identified in a statewide flood plan mandated by [Senate Bill 8](#), authored by state Sen. Charles Perry, R-Lubbock. That bill, which has passed both chambers, would direct the

Texas Water Development Board to develop the flood plan by September 2024.

In the meantime, lawmakers intend for the fund to finance projects that are not selected for FEMA mitigation grant funding, which is capped at \$1.1 billion for the Harvey recovery. Local governments have submitted far more projects than can be funded; many of those applications still are being evaluated.

### **Measure encourages cooperative efforts**

SB 7 came together after weeks of [haggling between the two chambers](#), capping work by Creighton and Phelan that began well over a year ago. In the end, the bill before Abbott combines Creighton's resiliency fund with Phelan's infrastructure fund, meshing their different visions into one package.

With Creighton's bill focused on drawing down federal funds, Phelan aimed to craft legislation that would pull from state reserves to directly fund projects around Texas. By design, local governments applying for Phelan's infrastructure fund must demonstrate that they have "acted cooperatively ... to address flood control needs" with other governments in the area.

Phelan's goal was to create a scenario "where everyone's in the same room discussing what's best for the whole watershed," he said, "as opposed to doing what's best for this city, or what's best for that city, this county, that drainage district."

The regional provisions made SB 7 more palatable to the House, Creighton said, because the language clarified that funds would go not only toward coastal areas in southeast Texas, but also to parts of the state such as central Texas that have seen severe flooding.

Lawmakers scrambled to whip the bill into shape last week, tweaking its provisions up until the end. The last House amendment was drafted a few minutes before Phelan took the microphone to explain the bill, he said.

Among the last-minute changes was [an amendment](#) from state Rep. Dan Huberty, R-Humble, that stripped language requiring local entities to apply block grant funds from HUD toward the cost of matching funds before they could receive state funding.

Houston officials sought to remove that provision, so they could continue using block grant funds for ongoing Harvey housing programs.

Huberty's amendment also ensured that the fund devoted to Harvey recovery would provide matching funds only through grants, not loans.

## **Local impact**

Portions of the FEMA recovery for which local governments would need to find matching funds are well underway or substantially finished: trucking hundreds of thousands of tons of storm debris out of neighborhoods, which required the payment of millions in overtime to police and firefighters.

Still in its early stages, however, is the process of negotiating the proper repairs on each damaged facility and park with FEMA. Officials also are still deciding which buildings will need to be hardened against the next flood and which — like some sewer plants, the downtown municipal courthouse and Fire Station 104 in Kingwood — should ultimately be abandoned or relocated.

In all, Houston estimates its buildings and equipment sustained \$625 million in damage, and its water and sewer plants took a \$1.1 billion hit.

The Lakewood and Meyer libraries were shuttered and won't reopen, though the latter will be replaced by a new facility planned in nearby Westbury. Two police buildings, one near downtown and one on Beechnut, also won't reopen, though the latter [was relocated](#).

About 20 city facilities were damaged but have been repaired. Another five libraries are closed but are expected to reopen before 2022, as are a hike-and-bike trail and some cottages at Lake Houston Wilderness Park.

Dozens of other city facilities have reopened but are far from fixed — the basement of City Hall, for instance, is still empty and coated with plywood; buckled wood veneer in one stairwell still marks the Harvey water line.

High on the list of Harris County facilities in need of repair are the still-shuttered criminal courthouse and jury assembly buildings downtown and the Baldwin Boettcher Library; all are expected to reopen by early 2021.

The county's Cypresswood Courthouse and Annex 11 at Highway 6 and West Little York closed after the storm but were repaired and reopened, as were the Katherine Tyra, Kingwood and Barbara Bush libraries and the Pearl Fincher Museum.

The community center in Bear Creek Park — which is inside Addicks Reservoir — also was shuttered by the storm, and will be rebuilt elsewhere, said Shain Carrizal of the county budget management office.

He said the legislation would not necessarily speed up the county's recovery, but would be a welcome boost to its efforts.

“You basically have to spend the money and get reimbursed from FEMA,” he said. “We have a contingency fund so we can start repairs right afterward and get reimbursed from FEMA later on, but if the state is going to set up a fund to pay us the 10 percent, we're all supportive of that. That would definitely help us out.”

[https://www.houstonchronicle.com/news/houston-texas/houston/article/Texas-lawmakers-OK-massive-flood-control-package-13885846.php?src=hp\\_totn](https://www.houstonchronicle.com/news/houston-texas/houston/article/Texas-lawmakers-OK-massive-flood-control-package-13885846.php?src=hp_totn)